

TENNESSEE LOCAL DEVELOPMENT AUTHORITY
MARCH 10, 2016
AGENDA

1. Call Meeting to Order
2. Minutes
 - a. Approval of minutes from the TLDA meeting of December 7, 2015
 - b. Correction of minutes from TLDA meeting of October 29, 2015
3. Consider for approval the following CWSRF loans:

| | | | | |
|------------------------|--------------|------|--------------|-------|
| Camden SRF 16-366 | \$ 1,997,000 | \$ - | \$ 1,997,000 | 0.96% |
| Camden SRF 14-336 | \$ 7,358,000 | \$ - | \$ 7,358,000 | 0.96% |
| White House SRF 16-364 | \$ 800,000 | \$ - | \$ 800,000 | 1.11% |

4. Consider for approval the following DWSRF loans:

| | SRF Base Loan | Principal Forgiveness | Total SRF Funding | Interest Rate |
|----------------------------|------------------|--------------------------|----------------------|------------------|
| Bloomington UD DWF 16-171 | \$ 330,000 | \$ - | \$ 330,000 | 0.88% |
| West Overton UD DG5-16-173 | \$ 637,500 | \$ 212,500 | \$ 850,000 | 0.35% |

5. Adjourn

TENNESSEE LOCAL DEVELOPMENT AUTHORITY
December 7, 2015

The Tennessee Local Development Authority (the “Authority” or “TLDA”) met on Monday, December 7, at 3:00 p.m. in the Executive Conference Room, State Capitol, Nashville, Tennessee. The Honorable Tre Hargett, Secretary of State, was present and presided as Vice-Chair.

The following members were also present:

The Honorable Justin Wilson, Comptroller of the Treasury
Whitney Goetz, Proxy for the Honorable David Lillard, State Treasurer
Commissioner Larry Martin, Department of Finance and Administration

The following members participated telephonically as authorized by Tennessee Code Annotated Section 8-44-108 and as posted in the meeting notice:

Mr. Pat Wolfe, Senate Appointee
Dr. Kenneth Moore, House Appointee

The following member was absent:

The Honorable Bill Haslam, Governor

Recognizing a physical quorum present, Mr. Hargett called the meeting to order and performed a roll-call:

Dr. Moore—Present
Mr. Wolfe—Present
Mr. Martin—Present
Ms. Goetz—Present
Mr. Hargett—Present
Mr. Wilson—Present

Mr. Hargett asked for a motion to approve the minutes of October 29, 2015. Mr. Wilson made a motion to approve the minutes, and Mr. Martin seconded the motion. Mr. Hargett performed a roll-call vote:

Dr. Moore—Yes
Mr. Wolfe—Yes
Mr. Wilson—Yes
Mr. Martin—Yes
Ms. Goetz—Yes
Mr. Hargett—Yes

The minutes were unanimously approved.

Mr. Hargett recognized Ms. Kayla Carr, Assistant Director of the Office of State and Local Finance (SLF) to present the request from West Knox Utility District (the District) to issue water and sewer revenue bonds in an amount not to exceed \$9,995,000. Ms. Carr stated that pursuant to the State Revolving Fund (SRF) loan agreement, the District is required to seek approval from the TLDA to issue additional debt payable from the revenues of the system. Ms. Carr stated that the District had submitted the required documents to staff and based on staff’s review, the District met the 1.20 times debt service coverage requirement. Mr. Wilson asked about the lien position of the debt to the SRF debt. Ms. Carr responded the SRF debt would have priority to the new debt. There was no further discussion.

Mr. Hargett made a motion to approve the request, and Mr. Martin seconded the motion. Mr. Hargett performed a roll-call vote:

Ms. Goetz—Yes
Mr. Martin—Yes
Mr. Wilson—Yes
Dr. Moore—Yes
Mr. Wolfe—Yes
Mr. Hargett—Yes

The motion was unanimously approved.

Mr. Hargett stated that the next item of business was consideration for approval of Drinking Water State Revolving Fund (SRF) loan requests. He asked Mr. Sherwin Smith, Manager of the SRF loan program to present the requests. Mr. Smith first presented the unobligated fund balance. He stated the balance was \$50,800,200 as of October 29, 2015. Upon approval of the loan requests to be presented, the funds available for loan obligations would decrease to \$46,333,700. He then described the loan requests:

- Warren County Utility District (DW4 2015-158)—Requesting \$2,500,000 (\$1,875,000 loan; \$625,000 principal forgiveness) for water treatment plant improvements (construction of new raw water intake, pump station, and control building; recommended interest rate of 0.95% based on the Ability to Pay Index (ATPI).
- Carthage (DG3 2016-169)—Requesting \$374,500 (\$280,875 loan; \$93,625 principal forgiveness) for green-water meter replacement; recommended interest rate of 1.44% based on the ATPI.
- Carthage (DW4 2016-170)—Requesting \$1,592,000 (\$1,194,000 loan; \$398,000 principal forgiveness) for water treatment system improvements; recommended interest rate of 1.44% based on the ATPI.

Mr. Wilson moved for approval of the Drinking Water SRF loans, and Mr. Martin seconded the motion. Mr. Hargett performed a roll-call vote:

Ms. Goetz—Yes
Mr. Hargett—Yes
Mr. Martin—Yes
Mr. Wilson—Yes
Dr. Moore—Yes
Mr. Wolfe—Yes

The motion passed unanimously.

Hearing no further business, Mr. Hargett asked for a motion to adjourn. Mr. Wilson made a motion to adjourn, and Mr. Hargett seconded the motion. The meeting was adjourned.

Approved on this ____ day of ____, 2016.

Respectfully submitted,

Sandra Thompson
Assistant Secretary

EXCERPT FROM MINUTES OF OCTOBER 29, 2015

to \$214,456,763. Mr. Smith stated that part of this increase was from a voluntary return of funds by one of the entities with an expired project schedule. He stated that upon approval of the loan requests to be presented in the amount of \$21,920,000, the funds available for loan obligations would decrease to \$192,536,763. He then presented each loan request:

- Gordonsville (CW4 2016-358)—Requesting \$608,500 (\$565,905 loan; \$42,595 principal forgiveness) for collection system expansion; recommended interest rate of 2.15% based on the Ability to Pay Index (ATPI).
- Gordonsville (SRF 2016-359)—Requesting \$61,500 for collection system expansion; recommended interest rate of 2.15% based on the ATPI.

The loan amount for Gordonsville SRF 16-359 was incorrectly recorded as \$61,000. The correct amount is \$61,500.

Deleted: .

Deleted: 0

Mr. Smith stated that SRF 2016-359 was a companion loan to CW4 2016-358 which used up the remaining subsidy in that grant.

- Jackson Energy Authority (CG2 2016-363)—Requesting \$2,000,000 for wastewater treatment plant (WWTP) improvements; recommended interest rate of 1.43% based on the ATPI.
- Springfield (SRF 2016-360)—Requesting \$19,250,000 for collection system rehabilitation, Phase I; recommended interest rate of 1.35% based on the ATPI.

Mr. Hargett moved to approve the Drinking Water SRF loans, and Mr. Wilson seconded the motion. Mr. Hargett performed a roll-call vote:

Dr. Moore—Yes
Ms. Goetz—Yes
Mr. Hargett—Yes
Mr. Wilson—Yes
Ms. Scott—Yes
Mr. Wolfe—Yes

The motion passed unanimously.

Mr. Hargett stated the next item of business was a request to approve Drinking Water SRF loans and asked Mr. Smith to present the loan requests. Mr. Smith first presented the report on unobligated fund balance, which was \$35,921,805 as of August 12, 2015. The fund balance increased \$16,275,395 which brought the unobligated balance to \$52,197,200. Upon approval of the loan requests to be presented in the amount of \$1,397,000, the funds available for loan obligations would decrease to \$50,800,200. He then presented each loan request:

- Hohenwald (DW4 2016-167)—Requesting \$260,000 (\$195,000 loan; \$65,000 principal forgiveness) for waterline extension (installation of approximately 28,000 linear feet of waterlines along Summertown Highway to provide water service to 90 households); recommended interest rate of 0.71% based on the ATPI.
- Troy (DWF 2016-156)—Requesting \$981,000 for a new 700 gallons per minute (GPM) water treatment plant; recommended interest rate of \$0.47% based on the ATPI.
- Troy (DWF 2016-168)—Requesting \$156,000 for water distribution system improvements (new waterline); recommended interest rate of \$0.47% based on the ATPI.

Mr. Smith stated that the Town of Troy has two previously approved SRF loans. However, because bids had come in higher than expected, the Town was requesting additional SRF funding. He said that although the Town's debt service was high with respect to its state-shared taxes, rates were sufficient to repay the loans. He recommended approval of the loan requests to the Authority.

Mr. Hargett moved to approve the Drinking Water SRF loans, and Mr. Wilson seconded the motion. Mr. Hargett performed a roll-call vote:

DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES

Clean Water State Revolving Fund (CWSRF) Loan Program
Funds Available for Loan Obligation
March 10, 2016

Unobligated Balance as of October 29, 2015 **\$ 192,536,763**

Increases:

| | | | |
|--|----|------------|------------|
| Reduction to previous loans (see note below) | ** | \$ 432,925 | |
| | | | \$ 432,925 |

Unobligated Balance as of March 10, 2016 **\$ 192,969,688**

Applicants:

| | <u>Loan Number</u> | <u>Loan Amount</u> | |
|------------------------------|--------------------|--------------------|---------------|
| Camden (companion loan) | SRF 2016-366 | \$ 1,997,000 | |
| Camden | SRF 2014-336 | \$ 7,358,000 | |
| White House (companion loan) | SRF 2016-364 | \$ 800,000 | |
| | | | \$ 10,155,000 |

Remaining Funds Available for Loan Obligations **\$ 182,814,688**

* **Early Payoff**

| | <u>Loan Number</u> | <u>Amount</u> | |
|----------|--------------------|---------------|------------|
| Rockwood | SRF 2004-178 | \$ 432,925 | |
| | | | \$ 432,925 |

FACT SHEET

MARCH 10, 2016

Borrower: Camden

Population: 3,582

County: Benton County

Consulting Engineer: Civil Infrastructure Associates, LLC

Project Number: SRF 2016-366

Priority List Ranking/Points: 83(FY 2012)/10

Recommended Term: 20 years

Recommended Rate: $(2.01 \times 60\%) - (0.25\%) = 0.96\%$

Project Description: WWTP Improvements-Secondary Treatment.

Total Project Cost: \$ 5,497,000

Sources of Funding:

| | |
|------------------------------------|--------------|
| SRF Loan Request | \$ 1,997,000 |
| Other Funds (CDBG Disaster Relief) | \$ 1,650,000 |
| Other Funds (SRF 2013-322) | \$ 1,850,000 |

State-Shared Taxes: \$ 444,509

Debt Service:

| | | |
|------------------------------|-------------------|----------------|
| Prior Loans: (including SRF) | \$ 184,068 | 41.41% |
| Proposed Loan: | <u>\$ 514,277</u> | <u>115.69%</u> |
| Total: | \$ 698,345 | 157.10% |

Residential User Charge: (5,000 gal/month)

Current Rate: \$ 28.19

Propose Rate: \$ 31.57 (Effective Date: January 01, 2017)

Public Meeting Summary: October 15, 2015

**REPRESENTATION OF THE LOCAL GOVERNMENT
AS TO LOANS AND STATE-SHARED TAXES
City of Camden SRF 2016-366**

The Local Government hereby represents that:

- (1) The total amount of State-Shared Taxes received by the Local Government in the prior fiscal year of the State is \$444,509.
- (2) (a) The prior loans which have been funded for which the Local Government has pledged its State-Shared Taxes are as follows:

| Loan Type | Loan # | Loan \$/Amt | Principal Forgiven | Max. Annual Debt Service |
|-----------|--------------|-------------|--------------------|--------------------------|
| SRF/Sewer | CG2 2013-321 | \$1,578,112 | \$394,528 | \$84,720 |
| SRF/Sewer | SRF 2013-322 | \$1,850,000 | - | \$99,348 |

- (b) The maximum aggregate annual debt service is \$ 184,068.
- (3) (a) The loans ~~which have been applied for or have been approved with funding not yet provided~~, for ~~which~~ the Local Government has pledged its State-Shared Taxes are as follows:

| Loan Type | Anticipated Interest Rate | Loan \$/Amt | Principal Forgiven | Anticipated Max. Annual Debt Service |
|-----------|---------------------------|-------------|--------------------|--------------------------------------|
| SRF/Sewer | 0.96% | \$7,358,000 | \$0 | \$404,495 |
| SRF/Sewer | 0.96% | \$1,997,000 | \$0 | \$109,782 |

- (b) The anticipated maximum aggregate annual debt service is \$514,277.
- (4) (a) State-Shared Taxes have been pledged by the Local Government to secure other obligations describe below:

| Type of Obligation | Identifying # | Loan \$/Amt | Principal Forgiven | Max. Annual Pledge of State-Shared Taxes |
|--------------------|---------------|-------------|--------------------|--|
| N/A | | | | |

- (b) The anticipated maximum aggregate annual pledge of State-Shared Taxes pursuant of other obligations is \$0.
- (5) The amount of Local Government indebtedness (Subparagraphs (2)(b), (3)(b), and (4)(b) having a lien on the State-Shared Taxes referred above is \$698,345.
- (6) The amount set forth in (1) less the amount set forth in Paragraph (5) is \$(253,836).

Duly signed by an authorized representative of the Local Government on this 2 day of
FEBRUARY 2016

This is the Comptroller's certificate as required by TCA 4-31-108. The approval of the loan(s) is contingent upon approval by the Tennessee Local Development Agency.

LOCAL GOVERNMENT

BY: Roger Pafford
Roger Pafford, Mayor

FACT SHEET

MARCH 10, 2016

Borrower: Camden

Population: 3,582

County: Benton County

Consulting Engineer: Civil Infrastructure Associates, LLc

Project Number: SRF 2014-336

Priority List Ranking/Points: 14(FY 2013)/57

Recommended Term: 20 years

Recommended Rate: $(2.01 \times 60\%) - (0.25\%) = 0.96\%$

Project Description: WWTP Improvements-Secondary Treatment (Phase 2- Land application System to include an effluent pump station, force main, drip/spray irrigation system)

Total Project Cost: \$ 7,358,000

Sources of Funding:

| | |
|------------------|--------------|
| SRF Loan Request | \$ 7,358,000 |
| Other Funds | \$ -0- |

State-Shared Taxes: \$ 444,509

Debt Service:

| | | |
|------------------------------|-------------------|----------------|
| Prior Loans: (including SRF) | \$ 184,068 | 41.41% |
| Proposed Loan: | \$ <u>514,277</u> | <u>115.69%</u> |
| Total: | \$ 698,345 | 157.10% |

Residential User Charge: (5,000 gal/month)

Current Rate: \$ 28.19

Proposed Rate: \$ 31.57 (Effective Date: January 01, 2017)

Public Meeting Summary: October 15, 2015

**REPRESENTATION OF THE LOCAL GOVERNMENT
AS TO LOANS AND STATE-SHARED TAXES
City of Camden SRF 2014-336**

The Local Government hereby represents that:

- (1) The total amount of State-Shared Taxes received by the Local Government in the prior fiscal year of the State is \$444,509.

- (2) (a) The prior loans which have been funded for which the Local Government has pledged its State-Shared Taxes are as follows:

| Loan Type | Loan # | Loan \$/Amt | Principal Forgiven | Max. Annual Debt Service |
|-----------|--------------|-------------|--------------------|--------------------------|
| SRF/Sewer | CG2 2013-321 | \$1,578,112 | \$394,528 | \$84,720 |
| SRF/Sewer | SRF 2013-322 | \$1,850,000 | - | \$99,348 |

- (b) The maximum aggregate annual debt service is \$ 184,068.

- (3) (a) ~~The loans which have been applied for or have been approved~~ with funding not yet provided, for which the Local Government has pledged its State-Shared Taxes are as follows:

| Loan Type | Anticipated Interest Rate | Loan \$/Amt | Principal Forgiven | Anticipated Max. Annual Debt Service |
|----------------------|---------------------------|------------------------|--------------------|--------------------------------------|
| SRF/Sewer | 0.96% | \$7,358,000 | \$0 | \$404,495 |
| SRF/Sewer | 0.96% | \$1,997,000 | \$0 | \$109,782 |

- (b) The anticipated maximum aggregate annual debt service is \$514,277.

- (4) (a) State-Shared Taxes have been pledged by the Local Government to secure other obligations describe below:

| Type of Obligation | Identifying # | Loan \$/Amt | Principal Forgiven | Max. Annual Pledge of State-Shared Taxes |
|--------------------|---------------|-------------|--------------------|--|
| N/A | | | | |

- (b) The anticipated maximum aggregate annual pledge of State-Shared Taxes pursuant of other obligations is \$0.

- (5) The amount of Local Government indebtedness (Subparagraphs (2)(b), (3)(b), and (4)(b) having a lien on the State-Shared Taxes referred above is \$698,345.
- (6) The amount set forth in (1) less the amount set forth in Paragraph (5) is \$(253,836)

Duly signed by an authorized representative of the Local Government on this 2 day of FEBRUARY 2016.

This is the Comptroller's certificate as required by TCA 4-31-108. The approval of the loan(s) is contingent upon approval by the Tennessee Local Development Agency.

LOCAL GOVERNMENT

BY: 
Roger Pafford, Mayor

FACT SHEET

MARCH 10, 2016

Borrower: White House

Population: 10,255

County: Robertson / Sumner Counties

Consulting Engineer: Mc Gill Associates

Project Number: SRF 2016-364

Priority List Ranking/Points: 4 (FY 2012)/117

Recommended Term: 20 years

Recommended Rate: $(2.27 \times 60\%) - (0.25\%) = 1.11\%$

Project Description: Wastewater Treatment Improvements (Influent screens, EQ basin modifications, and new spray irrigation disposal system).

Total Project Cost: \$2,800,000

Sources of Funding:

| | |
|-----------------------|--------------|
| SRF Loan Request | \$ 800,000 |
| Other (CG2 2013-326): | \$ 2,000,000 |

State-Shared Taxes: \$ 1,220,618

Debt Service:

| | | |
|------------------------------|------------------|--------------|
| Prior Loans: (including SRF) | \$ 415,940 | 34.07% |
| Proposed Loan: | <u>\$ 44,623</u> | <u>3.66%</u> |
| Total: | \$ 460,563 | 37.73% |

Residential User Charge: (5,000 gal/month)

Current Rate: \$ 55.04

Public Meeting Summary: February 19, 2013

**REPRESENTATION OF THE LOCAL GOVERNMENT
AS TO LOANS AND STATE-SHARED TAXES
CWSRF 2016-364**

The Local Government hereby represents that:

- (1) The total amount of State-Shared Taxes received by the Local Government in the prior fiscal year of the State is \$1,220,618.
- (2) (a) The prior loans which have been funded for which the Local Government has pledged its State-Shared Taxes are as follows:

| Loan Type | Loan # | Original \$/Amt | Principal Forgiveness | Max: Annual Debt Service |
|-----------|------------|-----------------|-----------------------|--------------------------|
| SRF/Sewer | CWA 09-246 | \$600,000 | \$400,000 | \$35,645 |
| SRF/Sewer | SRF 10-256 | \$360,000 | \$0 | \$21,324 |
| SRF/Sewer | CG0 11-278 | \$775,200 | \$193,800 | \$46,536 |
| SRF/Sewer | CG1 12-302 | \$3,600,000 | \$400,000 | \$198,672 |
| SRF/Sewer | SRF 12-308 | \$500,000 | \$0 | \$27,588 |
| SRF/Sewer | CG2 13-326 | \$2,000,000 | \$400,000 | \$86,175 |

- (b) The maximum aggregate annual debt service is \$415,940.
- (3) (a) The loans which have been applied for or have been approved with funding not yet provided, for which the Local Government has pledged its State-Shared Taxes are as follows:

| Loan Type | Anticipated Interest Rate | Original \$/Amt | Principal Forgiveness | Anticipated Max. Annual Debt Service |
|-----------|---------------------------|-----------------|-----------------------|--------------------------------------|
| SRF/Sewer | 1.11% | \$800,000 | \$0 | \$44,623 |

- (b) The anticipated maximum aggregate annual debt service is \$44,623.
- (4) (a) State-Shared Taxes have been pledged by the Local Government to secure other obligations describe below:

| Type of Obligation | Identifying # | Original \$/Amt | Max. Annual Pledge of State-Shared Taxes |
|--------------------|---------------|-----------------|--|
| N/A | | | |

- (b) The anticipated maximum aggregate annual pledge of State-Shared Taxes pursuant of other obligations is \$0.
- (5) The amount of Local Government indebtedness Subparagraphs (2)(b), (3)(b) and (4)(b) having a lien on the State-Shared Taxes referred above is \$460,563.

- (6) The amount set forth in Subparagraph (1) less the amount set forth in Subparagraph (5) is \$760,055.

Duly signed by an authorized representative of the Local Government on this 17th day of December, 2015.

This is the Comptroller's certificate as required by TCA 4-31-108. The approval of the loan(s) is contingent upon approval by the Tennessee Local Development Agency.

LOCAL GOVERNMENT

BY:  _____

Mike Arnold, Mayor

DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES

Drinking Water State Revolving Fund (DWSRF) Loan Program
Funds Available for Loan Obligation
March 10, 2016

Unobligated Balance as of December 7, 2015 **\$ 46,333,700**

| <u>Increases:</u> | <u>Loan Number</u> | <u>Loan Amount</u> |
|--------------------------|---------------------------|---------------------------|
| Reduction to prior loans | | * \$ 51,446 |
| | | <u>\$ 51,446</u> |

Unobligated Balance as of March 10, 2016 **\$ 46,385,146**

| <u>Applicants:</u> | <u>Loan Number</u> | <u>Loan Amount</u> |
|--|---------------------------|---------------------------|
| Bloomingtondale Utility District (companion loan) | DWF 2016-171 | \$ 330,000 |
| West Overton Utility District (subsidized @ \$212,500) | DG5 2016-173 | <u>\$ 850,000</u> |
| | | <u>\$ 1,180,000</u> |

Remaining Funds Available for Loan Obligations **\$ 45,205,146**

* **Reductions to Prior Loans**

| <u>Loan Decreases</u> | <u>Loan Number</u> | <u>Amount</u> |
|-------------------------------|---------------------------|-------------------------|
| Cordell Hull Utility District | DW2 2014-138 | \$ 41,530 |
| Harriman | DW0 2011-109 | <u>\$ 9,916</u> |
| Total Loan Decreases | | <u><u>\$ 51,446</u></u> |

FACT SHEET

MARCH 10, 2016

Borrower: Bloomingdale UD
Population: 11,753
County: Sullivan County
Consulting Engineer: W & W Engineering, LLc.
Project Number: DWF 2016-171
Priority List Ranking/Points: 5(FY 2012)/65
Recommended Term: 20 years
Recommended Rate: $(2.25 \times 50\%) - (0.25\%) = 0.88\%$

Project Description: Water System Improvements

Total Project Cost: \$ 2,530,000

Sources of Funding:

| | |
|----------------------------|--------------|
| SRF Loan Principal | \$ 330,000 |
| Other Funds (DG2 2015-152) | \$ 2,200,000 |

Gross Revenues: \$ 1,894,083

Debt Service:

| | | |
|------------------------------|------------|--------|
| Prior Loans: (including SRF) | \$ 329,873 | 17.42% |
| Proposed Loan: | \$ 18,001 | .95% |
| Total: | \$ 347,874 | 18.37% |

Residential User Charge: (5,000 gal/month)

Current Rate: \$ 38.50

Public Meeting: September 04, 2014

**REPRESENTATION OF THE LOCAL GOVERNMENT
AS TO OUTSTANDING LOANS
Bloomingdale UD DWF 2016-171**

The Local Government hereby represents that:

- (1) The total amount of revenues of the system received by the Local Government in the prior fiscal year of the State is \$1,894,083.
- (2) (a) The prior loans which have been funded for which the Local Government has pledged its revenues are as follows:

| Loan Type | Loan # | Original \$/Amt. | Principal Forgiveness | Max: Annual Debt Service |
|-------------------------|-------------|------------------|-----------------------|--------------------------|
| SRF/Water | DGA 09-096 | \$3,000,000 | \$1,200,000 | \$106,933 |
| SRF/Water | DG2 15-152 | \$2,200,000 | \$770,000 | \$78,231 |
| Waterworks Revenue Bond | Series 1980 | \$590,000 | \$0 | \$34,834 |
| Waterworks Revenue Bond | Series 2005 | \$1,350,000 | \$0 | \$109,875 |

- (b) The maximum aggregate annual debt service is \$329,873.
- (3) (a) The loans which have been applied for or have been approved with funding not yet provided, for which the Local Government has pledged its revenues are as follows:

| Loan Type | Anticipated Interest Rate | Original \$/Amt. | Principal Forgiveness | Anticipated Max. Annual Debt Service |
|-----------|---------------------------|------------------|-----------------------|--------------------------------------|
| SRF/Water | 0.88% | \$330,000 | \$0 | \$18,001 |

- (b) The anticipated maximum aggregate annual debt service is \$18,001.

- (4) The amount of Local Government indebtedness (Subparagraphs (2)(b) and (3)(b) having a lien on the revenues referred above is \$347,874.
- (5) The amount set forth in Subparagraph (1) less the amount set forth in Subparagraph (4) is \$1,546,209.

Duly signed by an authorized representative of the Local Government on this 7th day of January, 2016.

LOCAL GOVERNMENT

BY: Fred Hicks

Fred Hicks, Manager

FACT SHEET

MARCH 10, 2016

Borrower: West Overton Utility District

Population: 7,485

County: Overton County

Consulting Engineer: Barge Waggoner Sumner & Cannon, Inc.

Project Number: DG5 2016-173

Priority List Ranking/Points: 20(FY 2015)/25

Recommended Term: 20 years

Recommended Rate: $(2.00 \times 30\%) - (0.25\%) = 0.35\%$

Project Description: Green-Water Meter Replacement

Total Project Cost: \$ 850,000

Sources of Funding:

| | |
|---------------------------------|------------|
| SRF Loan Principal (75%) | \$ 637,500 |
| SRF Principal Forgiveness (25%) | \$ 212,500 |
| Other Funds | \$ -0- |

Gross Revenues: \$ 1,311,818

Debt Service:

| | | |
|------------------------------|------------|-------|
| Prior Loans: (including SRF) | \$ 67,272 | 5.13% |
| Proposed Loan: | \$ 33,008 | 2.51% |
| Total: | \$ 100,280 | 7.64% |

Residential User Charge: (5,000 gal/month)

Current Rate: \$ 47.75

Public Meeting: June 16, 2015

**REPRESENTATION OF THE LOCAL GOVERNMENT
AS TO OUTSTANDING LOANS
West Overton UD
DG5 2016-173**

The Local Government hereby represents that:

- (1) The total amount of revenues of the system received by the Local Government in the prior fiscal year of the State is \$1,311,818.
- (2) (a) The prior loans which have been funded for which the Local Government has pledged its revenues are as follows:

| Loan Type | Loan # | Original \$/Amt. | Principal Forgiveness | Max: Annual Debt Service |
|-----------|--------|------------------|-----------------------|--------------------------|
| SRF/Water | 00-023 | \$741,526 | \$0 | \$26,484 |
| SRF/Water | 02-049 | \$750,000 | \$0 | \$40,788 |

- (b) The maximum aggregate annual debt service is \$67,272.
- (3) (a) The loans which have been applied for or have been approved with funding not yet provided, for which the Local Government has pledged its revenues are as follows:

| Loan Type | Anticipated Interest Rate | Original \$/Amt. | Principal Forgiveness | Anticipated Max. Annual Debt Service |
|-----------|---------------------------|------------------|-----------------------|--------------------------------------|
| SRF/Water | 0.35% | \$850,000 | \$212,500 | \$33,008 |

- (b) The anticipated maximum aggregate annual debt service is \$33,008.

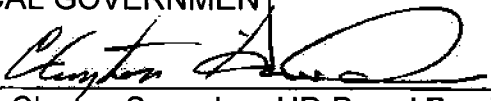
- (4) The amount of Local Government indebtedness (Subparagraphs (2)(b) and (3)(b) having a lien on the revenues referred above is \$100,280.
- (5) The amount set forth in Subparagraph (1) less the amount set forth in Subparagraph (4) is \$1,211,538.

Duly signed by an authorized representative of the Local Government on this 11th day of February, 2016.

This is the Comptroller's certificate as required by TCA 4-31-108. The approval of the loan(s) is contingent upon approval by the Tennessee Local Development Agency.

LOCAL GOVERNMENT

BY:


Clayton Snowden, UD Board President,